

INTERcity TRANSIT

Market Research Study

Customer Satisfaction ■ Segmentation ■ Worksite Surveys
October 2004 – April 2005

TRANSIT  marketing
LLC

CJI
RESEARCH
CORPORATION

Panel

■ Intercity Transit

- Meg Kester
Marketing & Communications Manager
- Dennis Bloom
Planning Manager

■ Transit Marketing

- Selena Barlow
Marketing Consultant

■ CJI Research Corporation

- Dr. Hugh Clark
Market Research Consultant

Why Conduct Surveys?

Objectives of Intercity Transit

Research Objectives

- To retain *existing customers* by understanding:
 - How, why and when customers use transit
 - Satisfaction with current service
 - Demographics
- To attract *potential customers* by understanding:
 - Perceptions of transit
 - Demographics – market niches
 - Barriers and Incentives to transit use
- To understand the potential for *commute trip reduction* at existing employment sites
 - Characterize various alt mode segments
 - Identify alt mode motivations & barriers

Research Objectives

- To guide *planning & marketing programs*
 - Update outdated research
 - Establish baseline for future research
 - Utilize in existing and future service planning efforts
 - Insights for effective marketing appeals
 - Enhance marketing, branding & performance measurement efforts
 - Prioritize staff & budget resources
 - Provide ammunition for work plans

Study Components

Study Components

■ Preparation

Key Informant Interviews

■ Existing Customers

- On-board Survey of Passengers (1,873)
- Telephone Follow-up Survey of 400 Passengers

■ Potential Market

- Community-wide Telephone Survey of 600 households (18+) with potential rider quota of 400

■ Commute Trip Reduction

- E-mail Survey of commuters at 4,655 respondents at 77 worksites

Input from
over 7500
individuals

Key Findings of Customer Surveys

**On-board and
Telephone Follow-up**

Existing Customers

How and why they use transit:

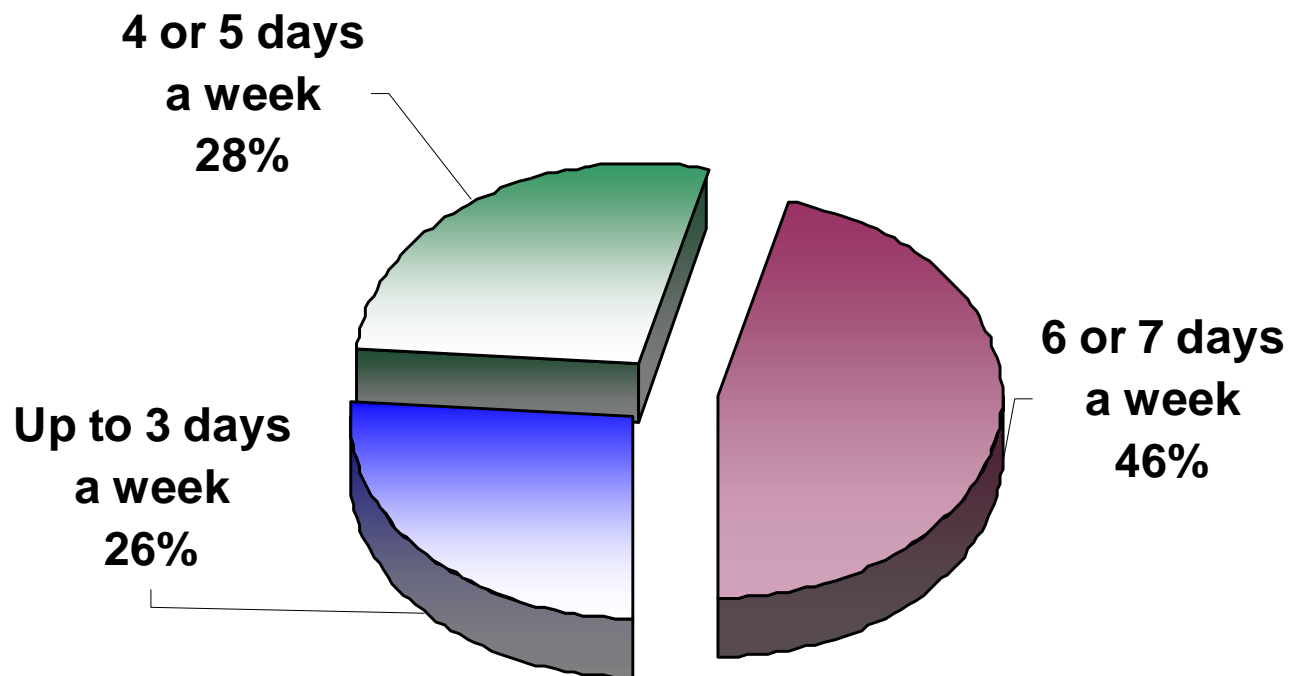
Frequency

Purpose

Motivations

Ridership Frequency

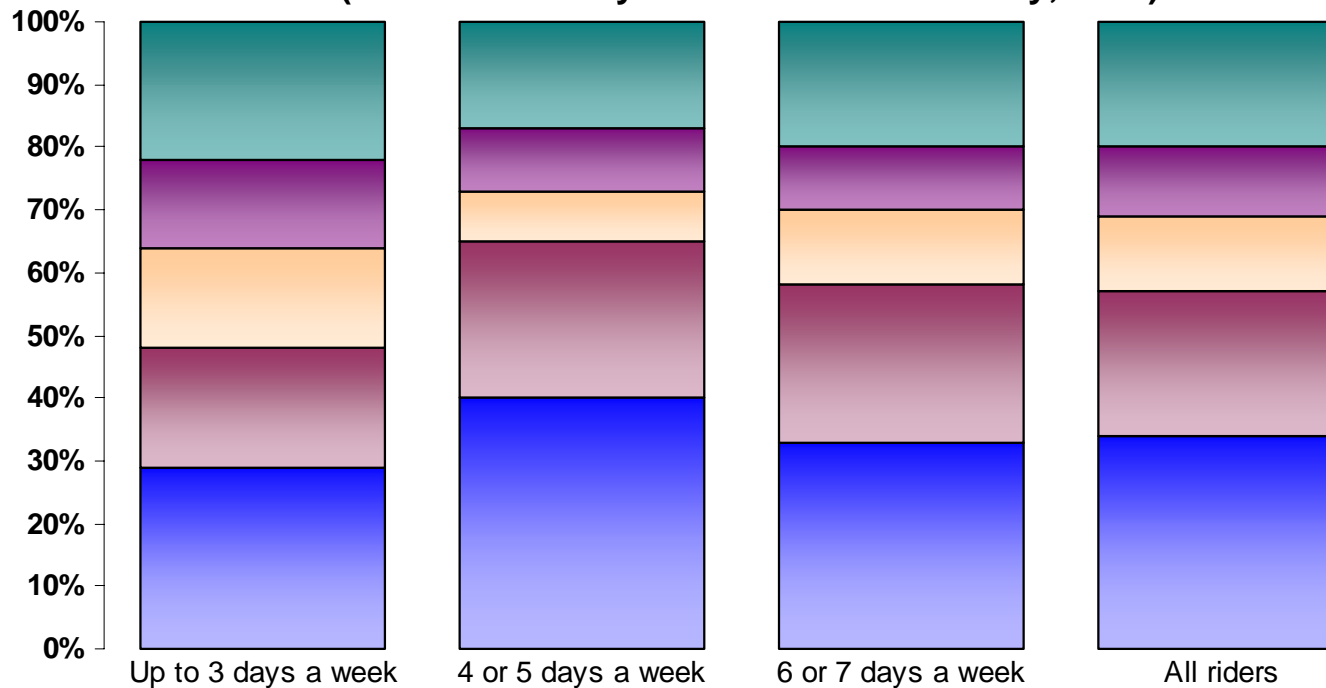
(Source: Intercity Transit onboard survey, 2004)



- Basic customer segmentation factor
- On-board surveys represent riders in relation to how frequently they use transit

Trip Purpose

(Source: Intercity Transit onboard survey, 2004)

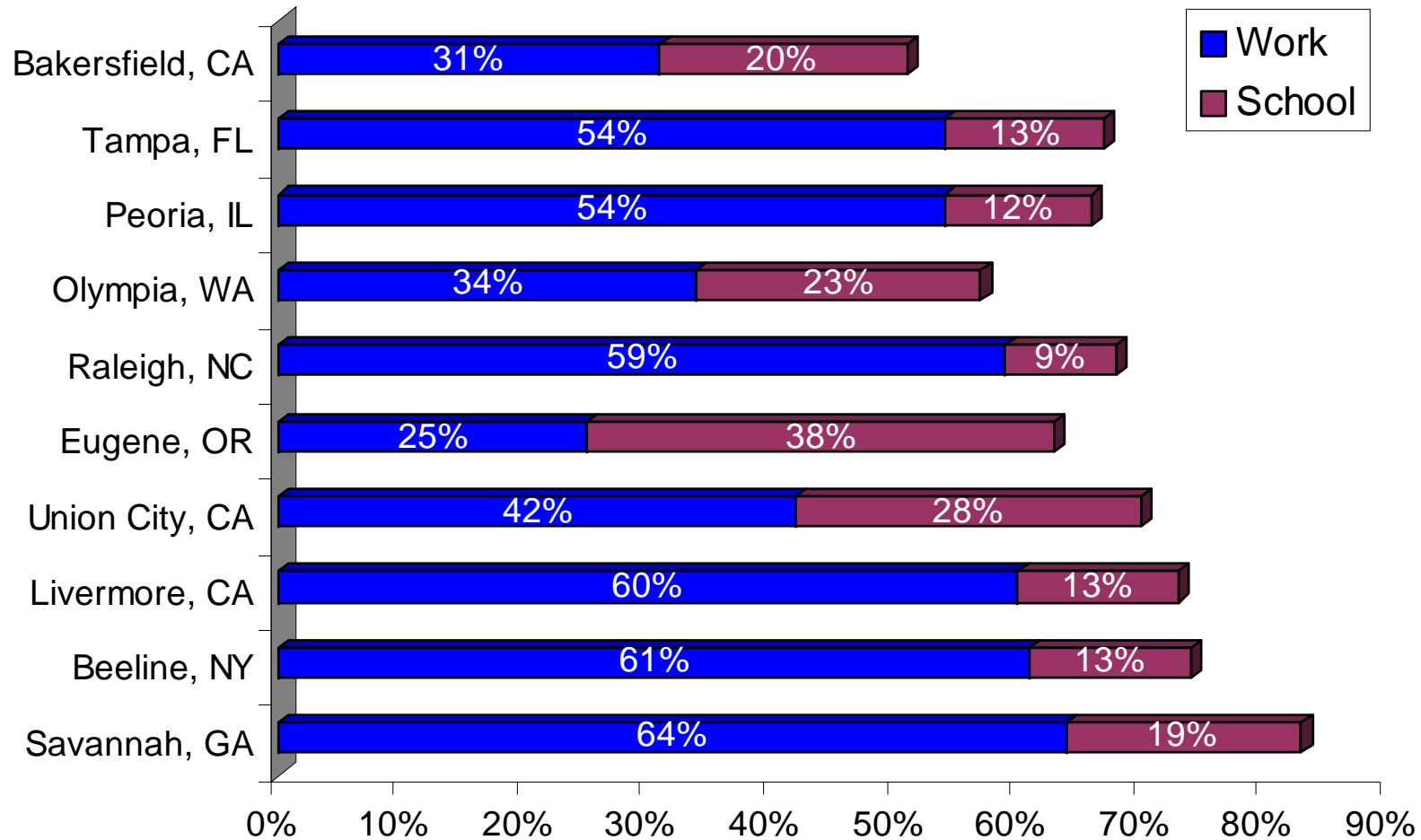


Other	22%	17%	20%	20%
Social	14%	10%	10%	11%
Shopping	16%	8%	12%	12%
School	19%	25%	25%	23%
Work	29%	40%	33%	34%

57%
commute
trips

Trip Purpose: Commute Trips

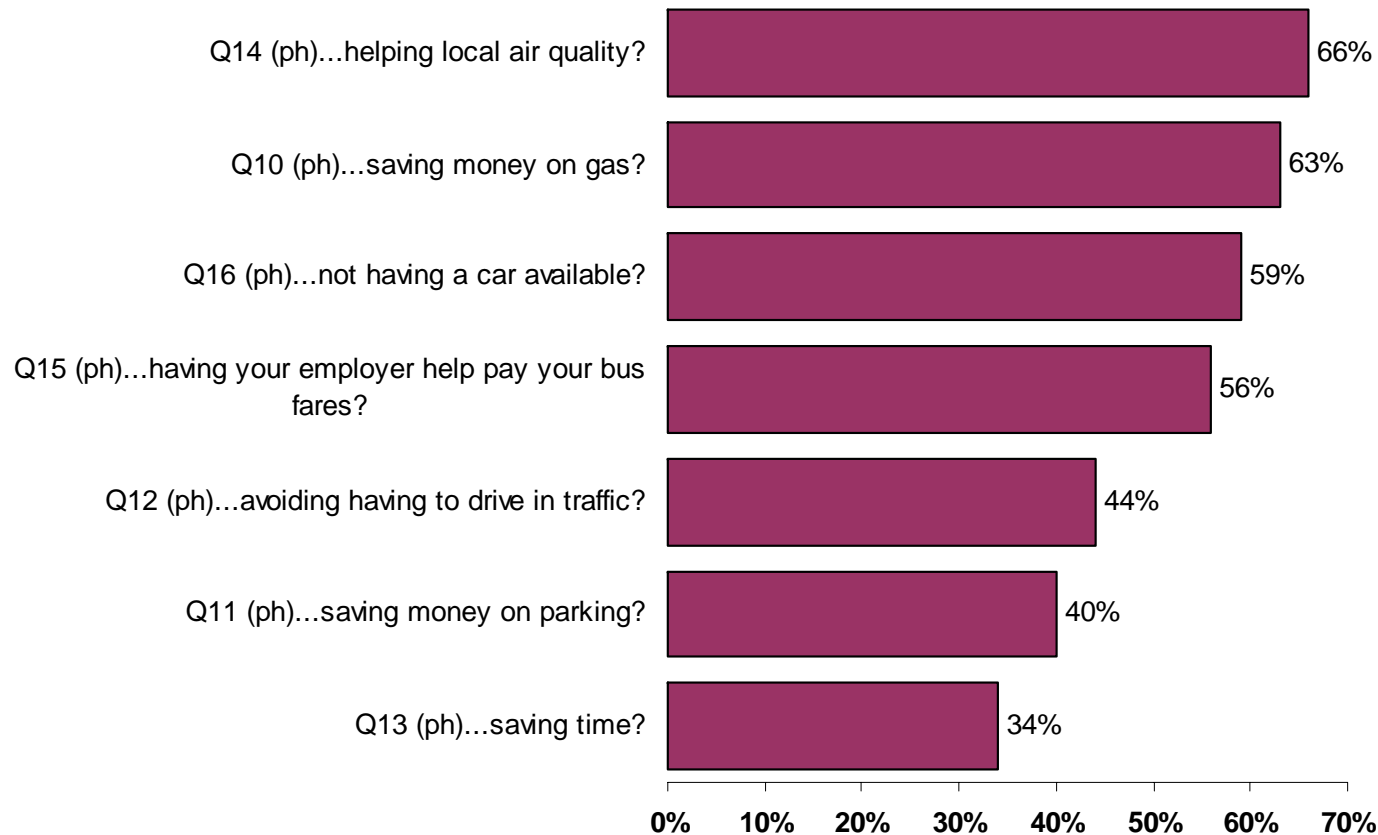
As a Percentage of All Trips Surveyed



Motivations for Using Transit

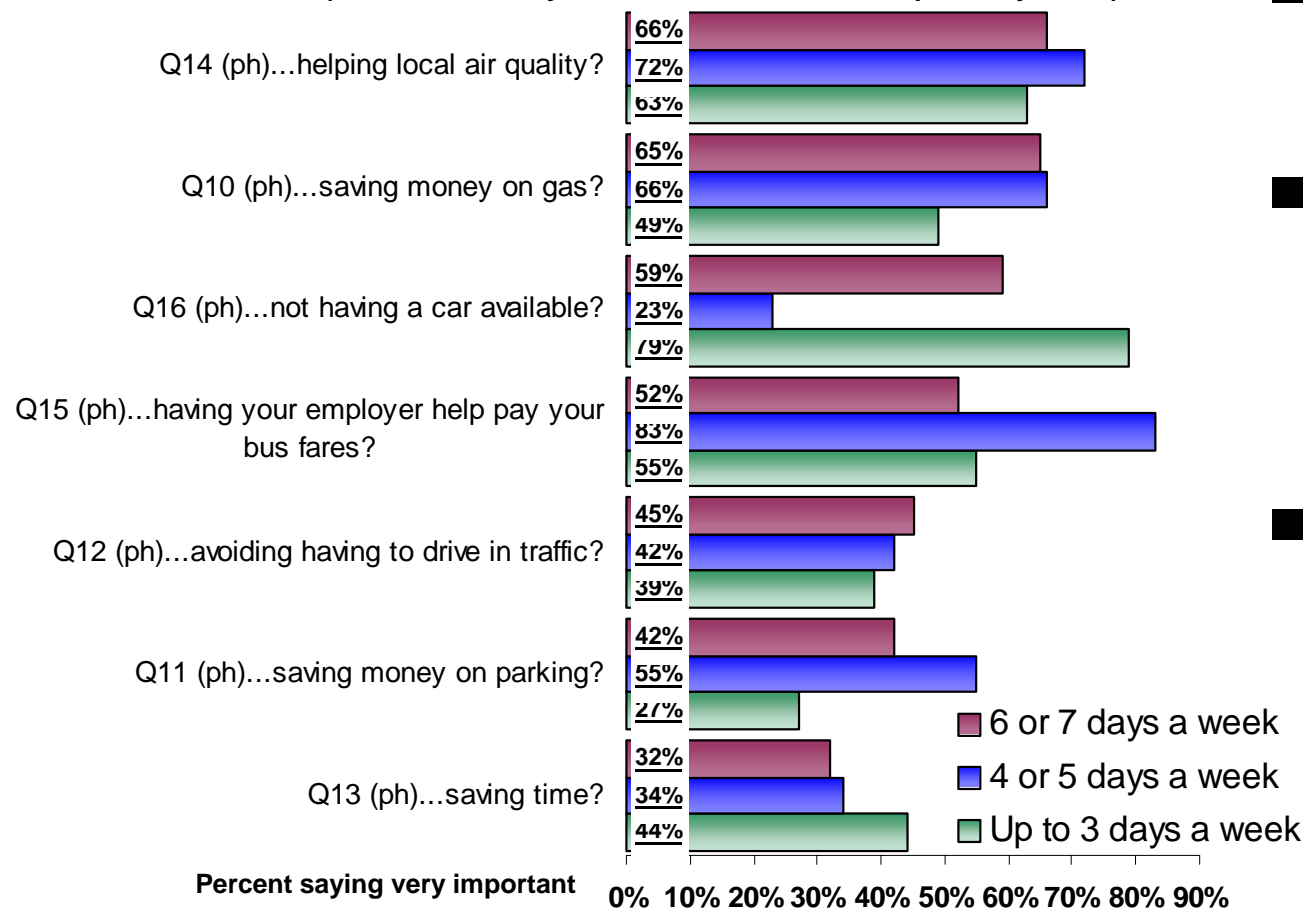
As a reason for using the bus, how important is.. (Chart shows only percent saying "Very important")

(Source: Intercity Transit onboard follow-up survey, 2004)



Motivations by Frequency Segment

As a reason for using the bus, how important is...
(Source: Intercity Transit onboard follow-up survey, 2004)



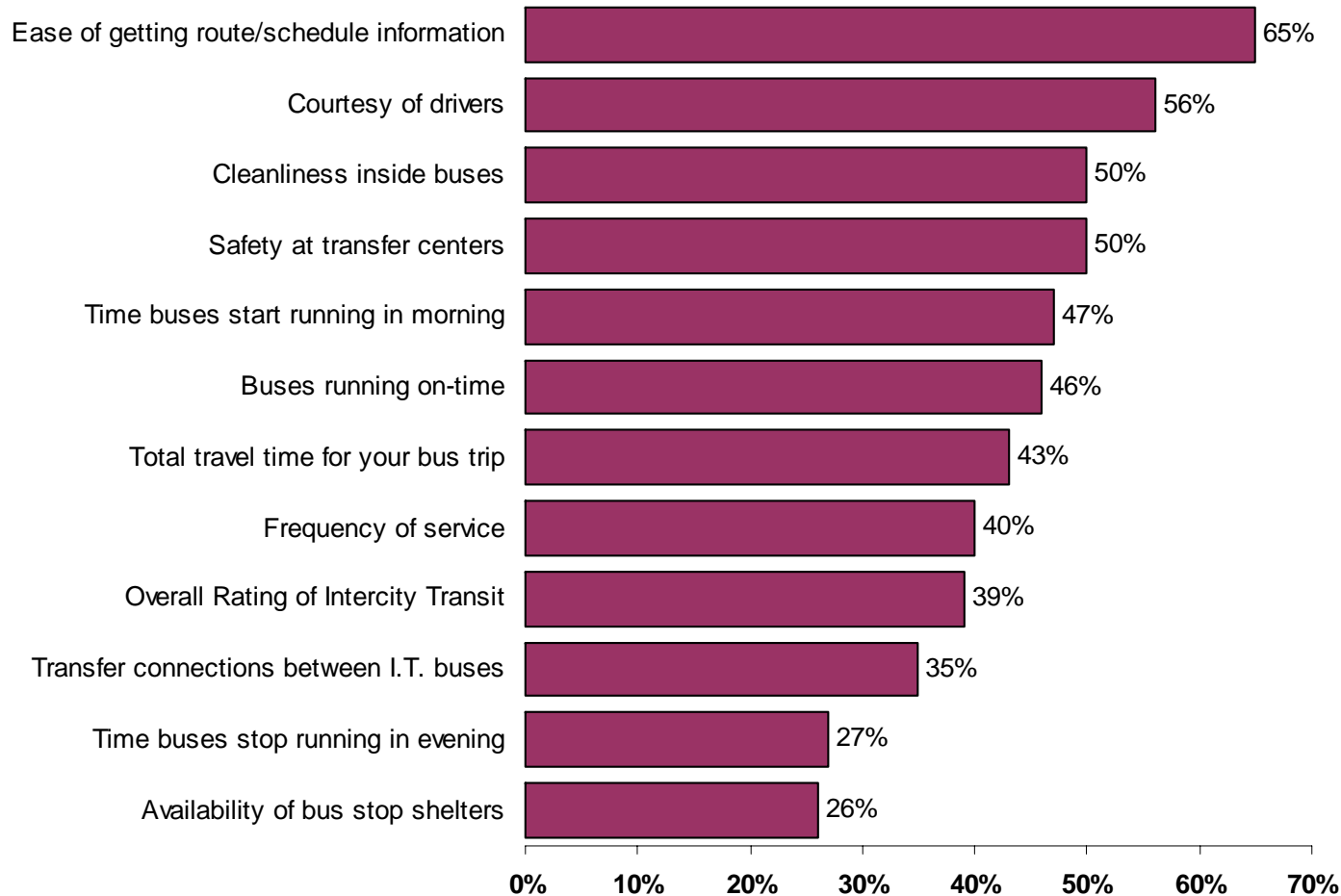
- Combination of cost & environment cuts across all segments
- Not having a car available is dominant motivation among most and least frequent users
- Employer subsidy is key motivation among 4-5 day riders

Existing Customers

**Satisfaction With Service
Rider Retention**

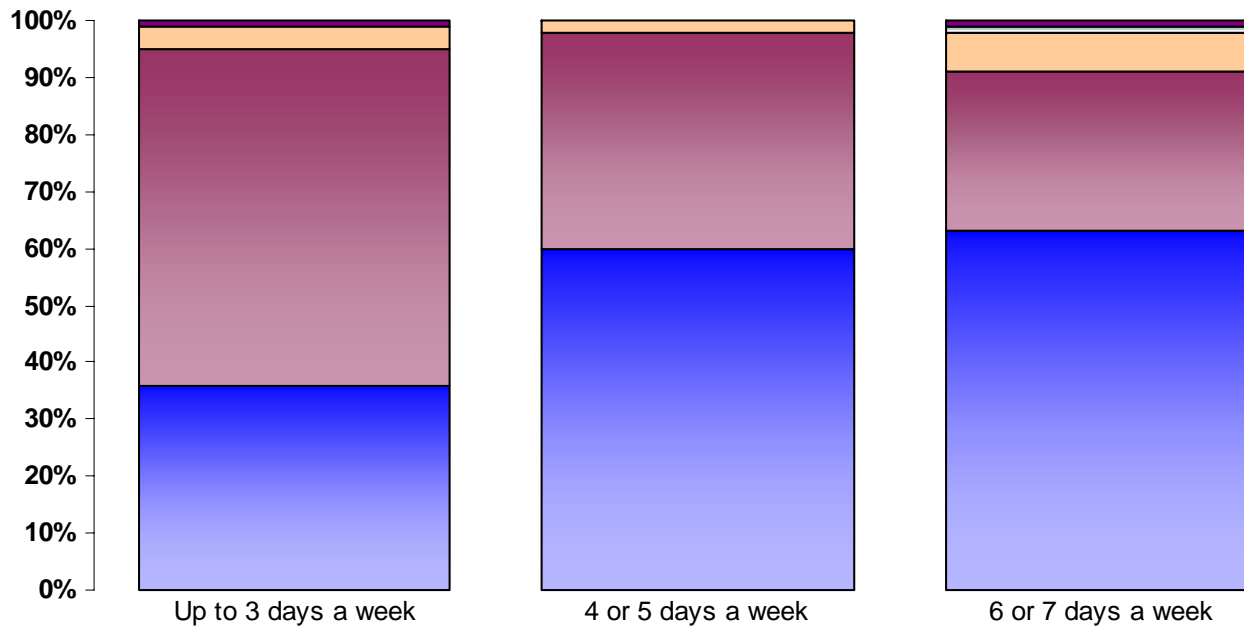
Satisfaction

(Chart shows percent rating each aspect of service as excellent)



Customer Retention

Interest in changing modes, by rider segment
(Source: Intercity Transit onboard followup survey, 2004)



Overall one third would switch

Other	1%	0%	1%
Can't - disabled	0%	0%	1%
Not sure	4%	2%	7%
Switch to a car	59%	38%	28%
Keep using the bus	36%	60%	63%

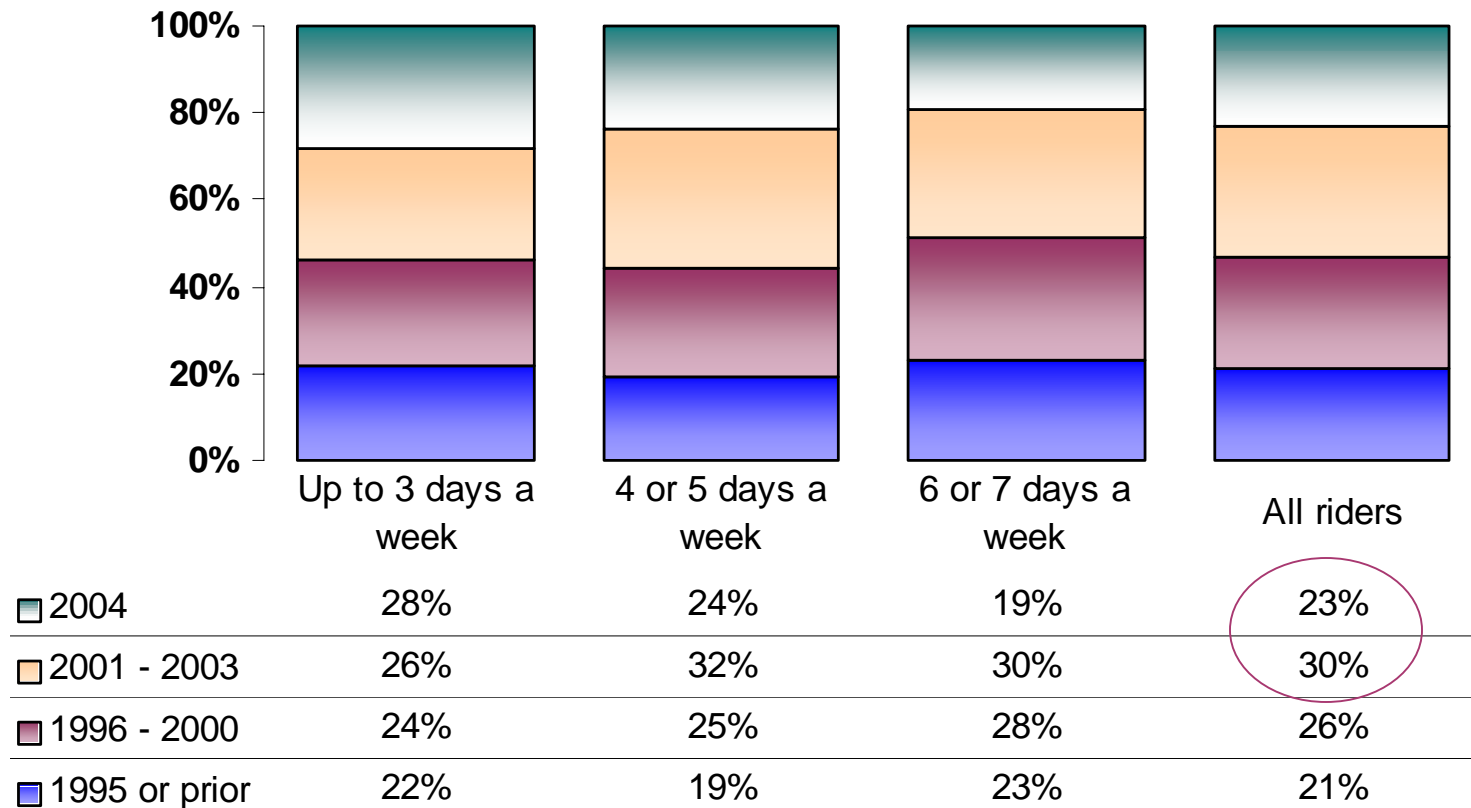
Customer Retention

Perceived time by car and time by bus

		Time by bus	Time by car	Ratio bus/car
Would continue using bus	Mean	32	18	1.8 : 1
	Median	25	15	
Would switch to car	Mean	42	18	2.3:1
	Median	30	15	
All riders	Mean	37	18	2.1:1
	Median	30	15	

Customer “Turnover”

Year riders began using Intercity Transit
(Source: Intercity Transit onboard survey, 2004)

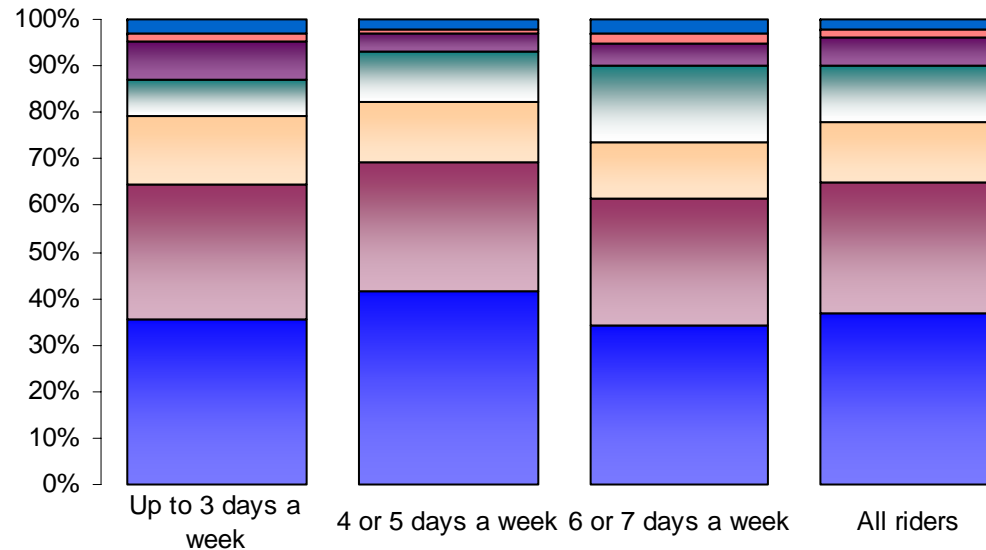


Existing Customers

Demographics

Demographics: Employment

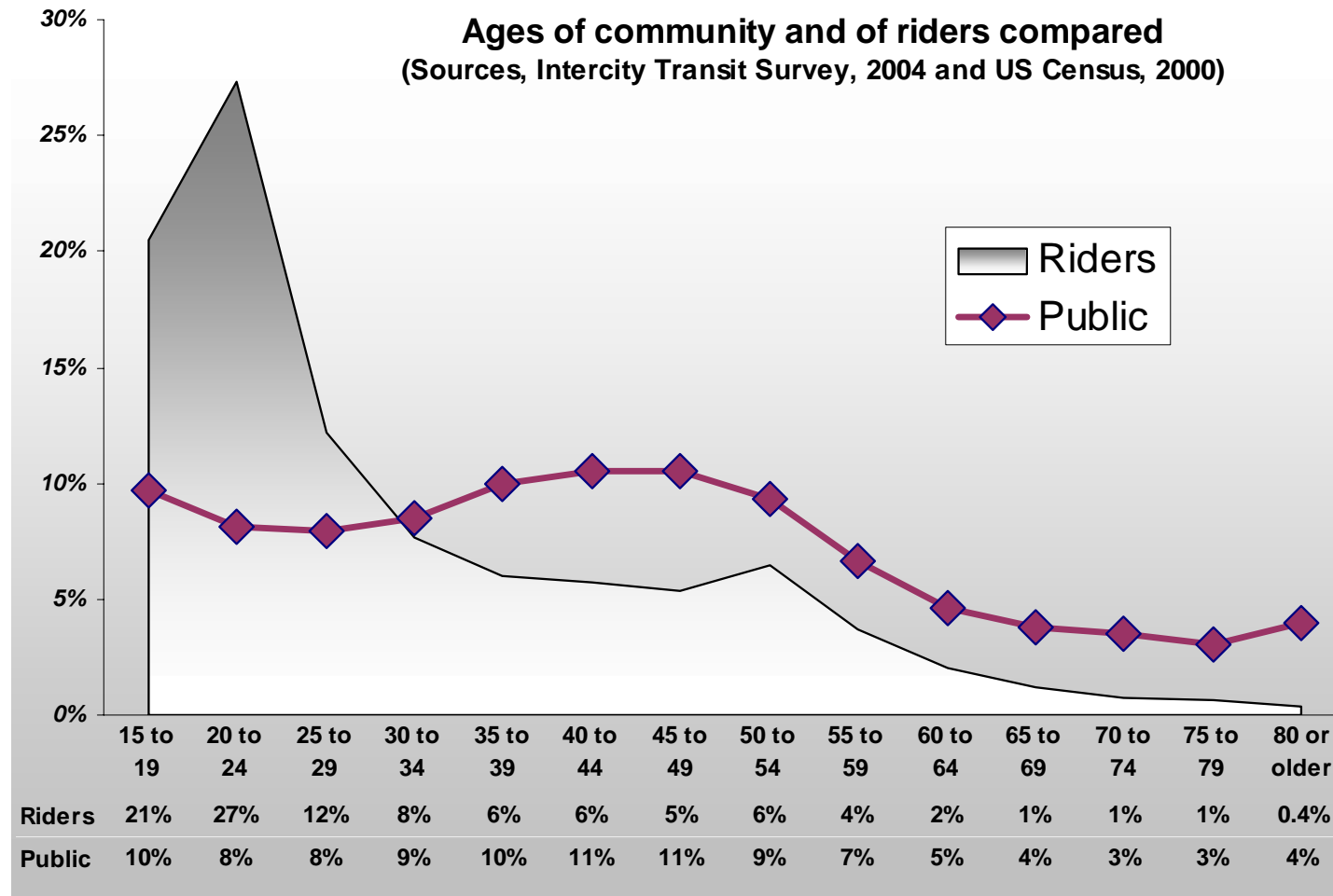
(Source: Intercity Transit onboard survey, 2004)



- Employed: 51%
- Student: 40%
 - TESC: 15%
 - SPSCC: 9%

■ A homemaker	3%	2%	3%	2%
■ Employed for pay inside your home	2%	1%	2%	2%
■ Retired	8%	4%	5%	6%
■ Employed AND a student	8%	11%	16%	12%
■ Unemployed	15%	13%	12%	13%
■ A student	29%	28%	27%	28%
■ Employed for pay outside your home	36%	42%	34%	37%

Demographics: Age



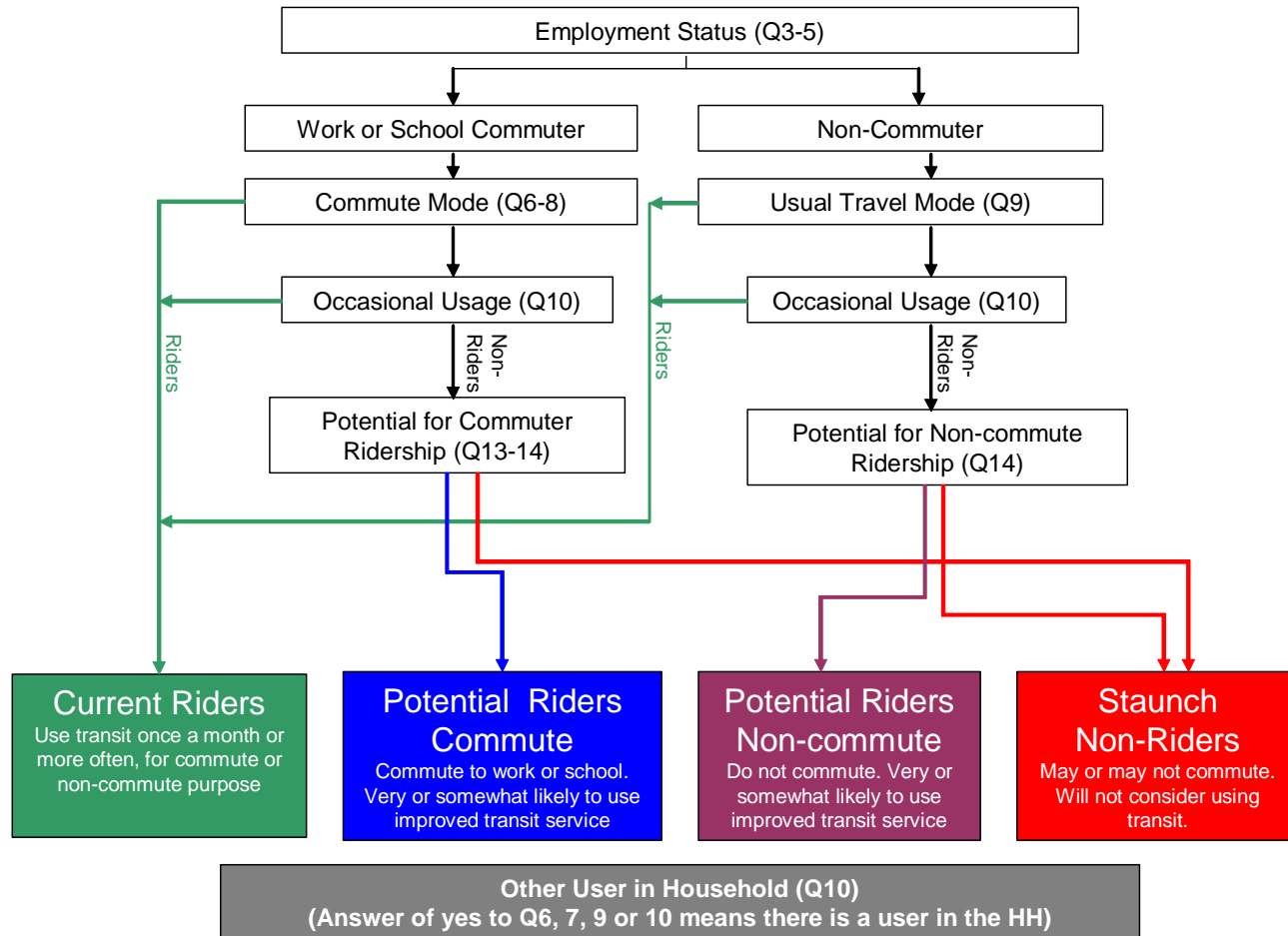
Community Telephone Survey

**Segmentation Approach
to Understanding
Potential New Markets**

Community Survey Objectives

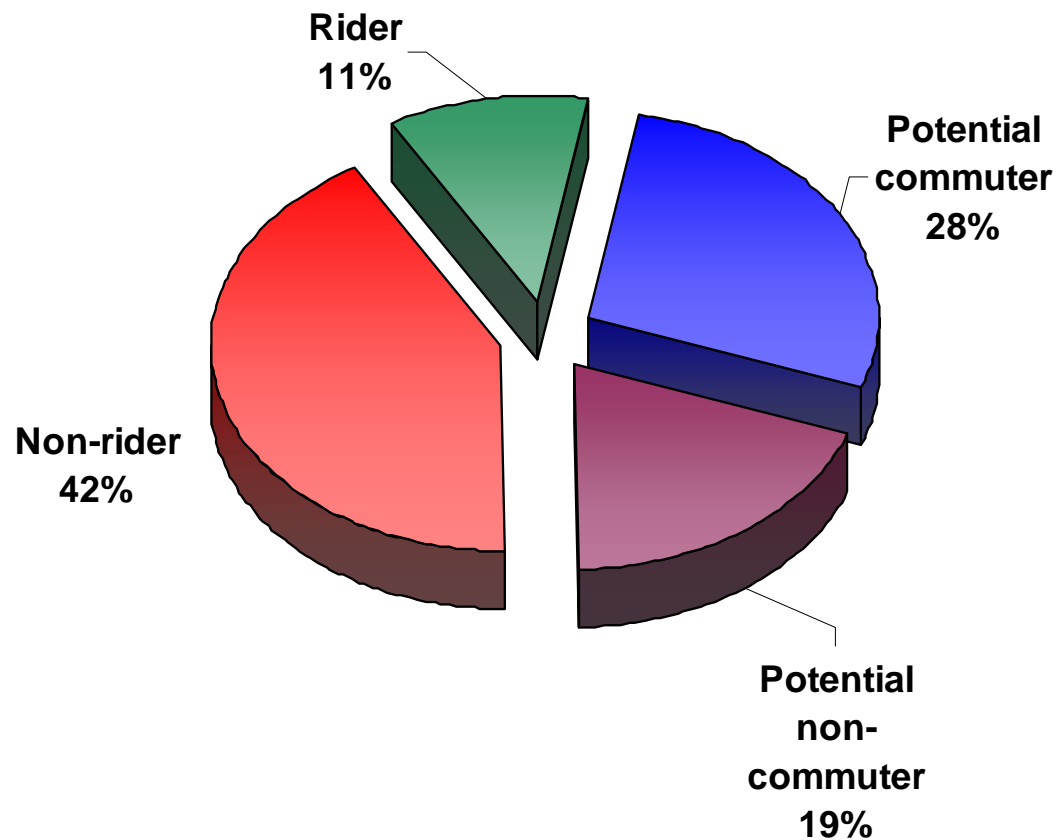
- Understand the non-user market
 - Size of the market segments, including potential market
 - Factors in modal choice, including criteria and incentives that would make using transit desirable
 - Demographics
 - Public reaction to tax support for transit

Segmentation Approach



Size of Market Segments

(Source: Intercity Transit Segmentation survey, 2005)



Key Findings of Community Survey

Factors in Modal Choice

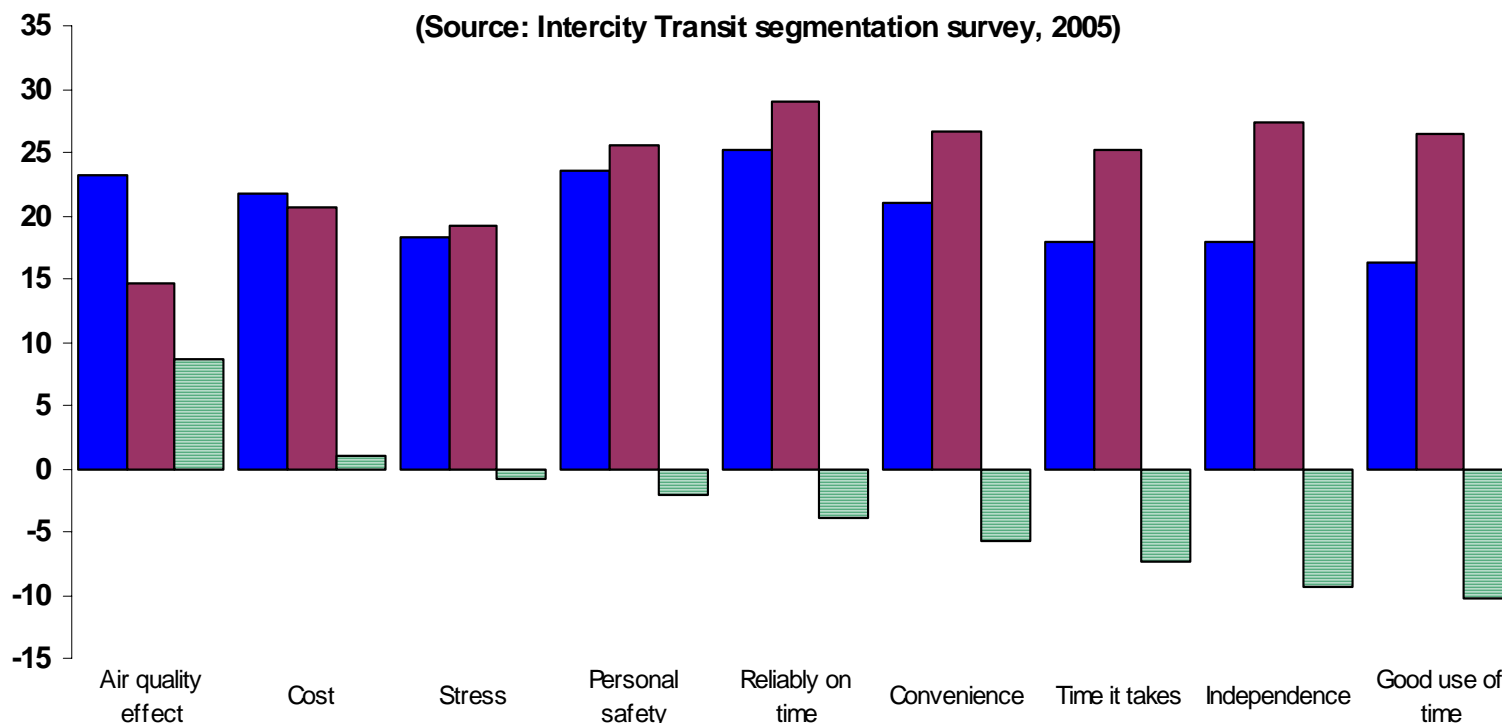
Factors in Modal Choice

Percent saying each factor is “very important” in their modal choice decision

In deciding between using a car or bus for your usual local trips, how important is...	Potential to use Intercity Transit				Entire sample
		Potential commuting rider	Potential non-commuting rider	Non-rider	
	Rider				
...reliability of getting where you need to go on time?	44%	40%	31%	37%	38%
...making good use of your time?	32%	35%	24%	34%	32%
...sense of personal safety?	26%	32%	23%	30%	29%
...sense of independence?	15%	24%	24%	30%	26%
...the time it takes?	22%	28%	22%	22%	24%
...overall convenience?	28%	23%	24%	22%	24%
...helping air quality in the local environment?	28%	25%	25%	15%	21%
...level of overall stress and hassle?	15%	18%	17%	14%	16%
...overall cost?	21%	13%	15%	5%	11%

Bus Advantage/Disadvantage on Modal Choice Factors

(Source: Intercity Transit segmentation survey, 2005)

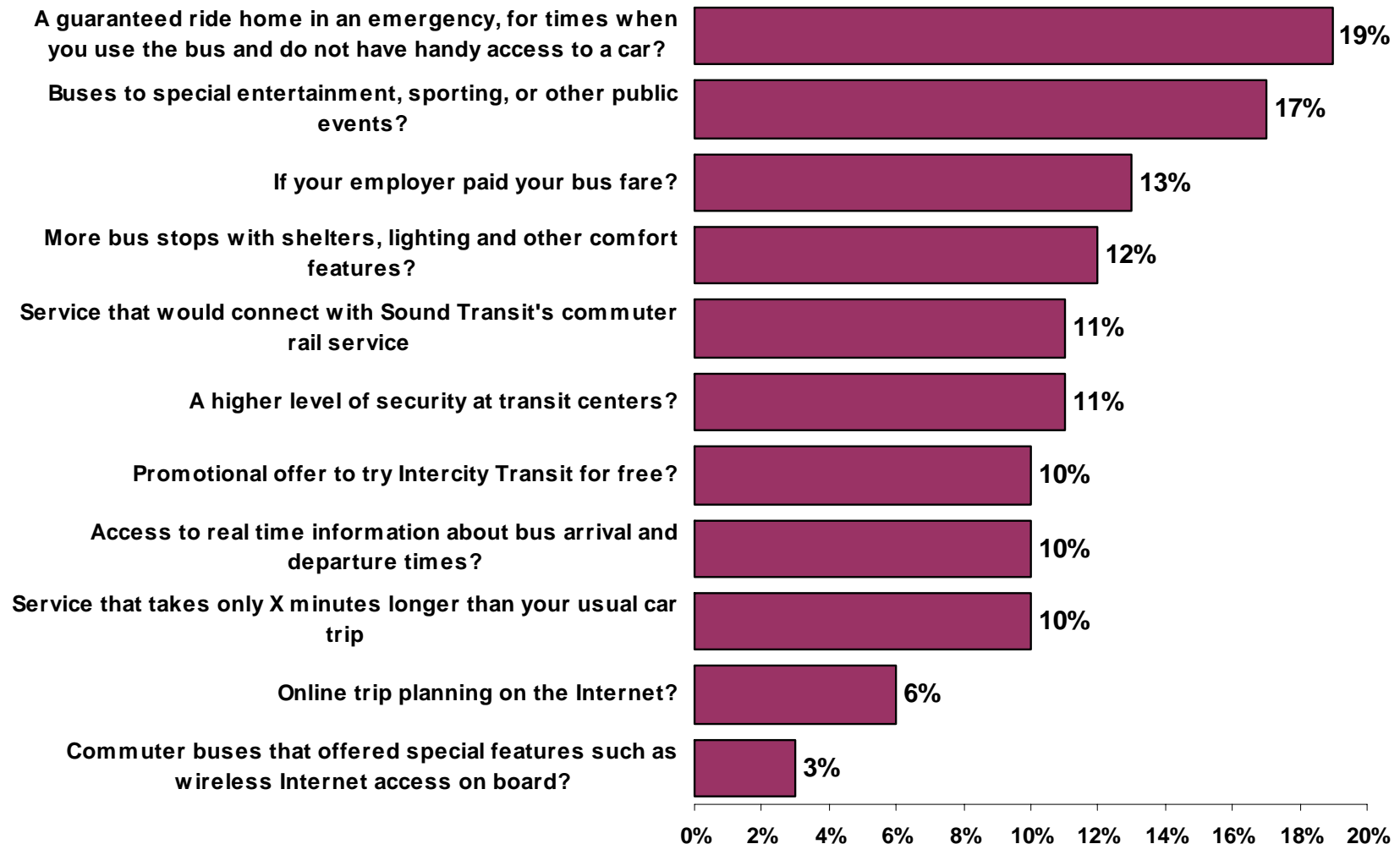


■ Net composite score: Bus	23	22	18	24	25	21	18	18	16
■ Net composite score: Car	15	21	19	26	29	27	25	27	26
■ Bus advtg (+) or disadvtg (-)	8.6	1.0	-0.7	-2.0	-3.9	-5.7	-7.4	-9.4	-10.3

Incentives to Use Transit

Percent saying they would definitely use Intercity Transit

(Source: Intercity Transit segmentation survey, 2005)

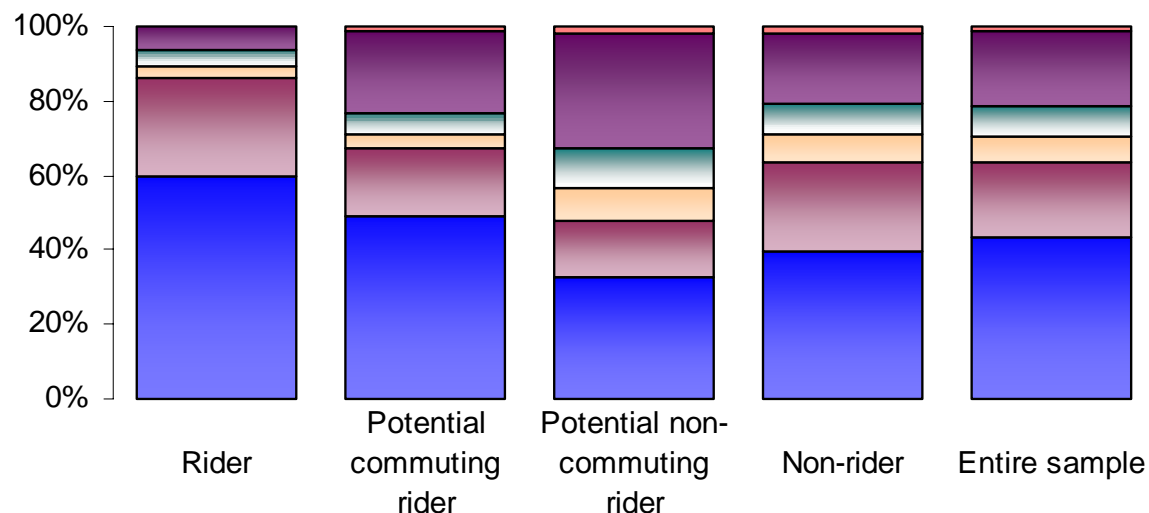


Key Findings of Community Survey

Demographics

Residence

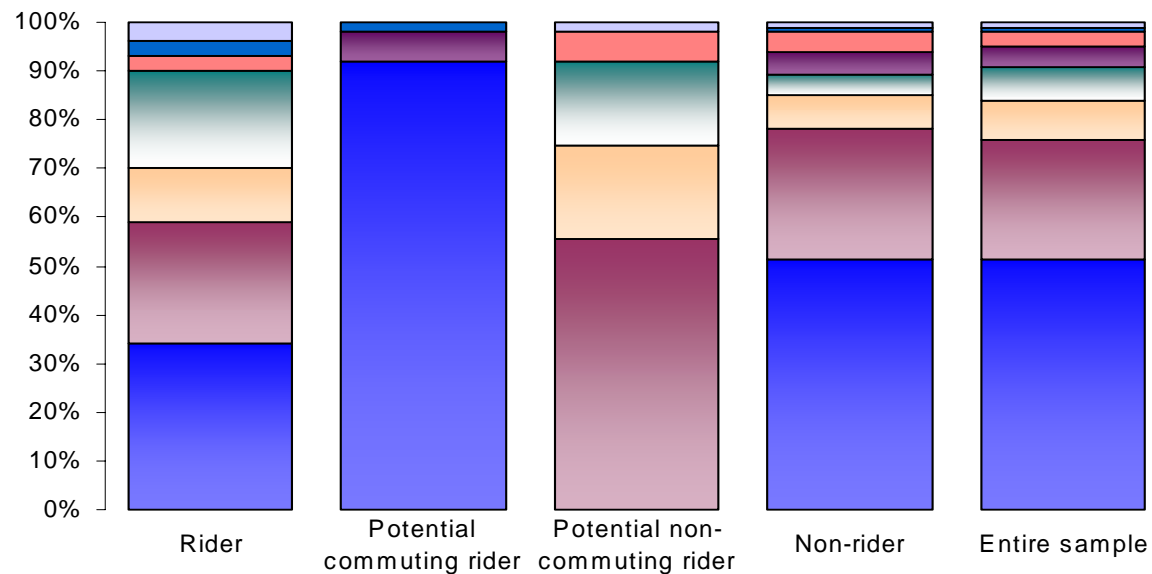
(Source: Intercity Transit onboard survey, 2004)



Potential riders are more “suburban” than current riders

Employment

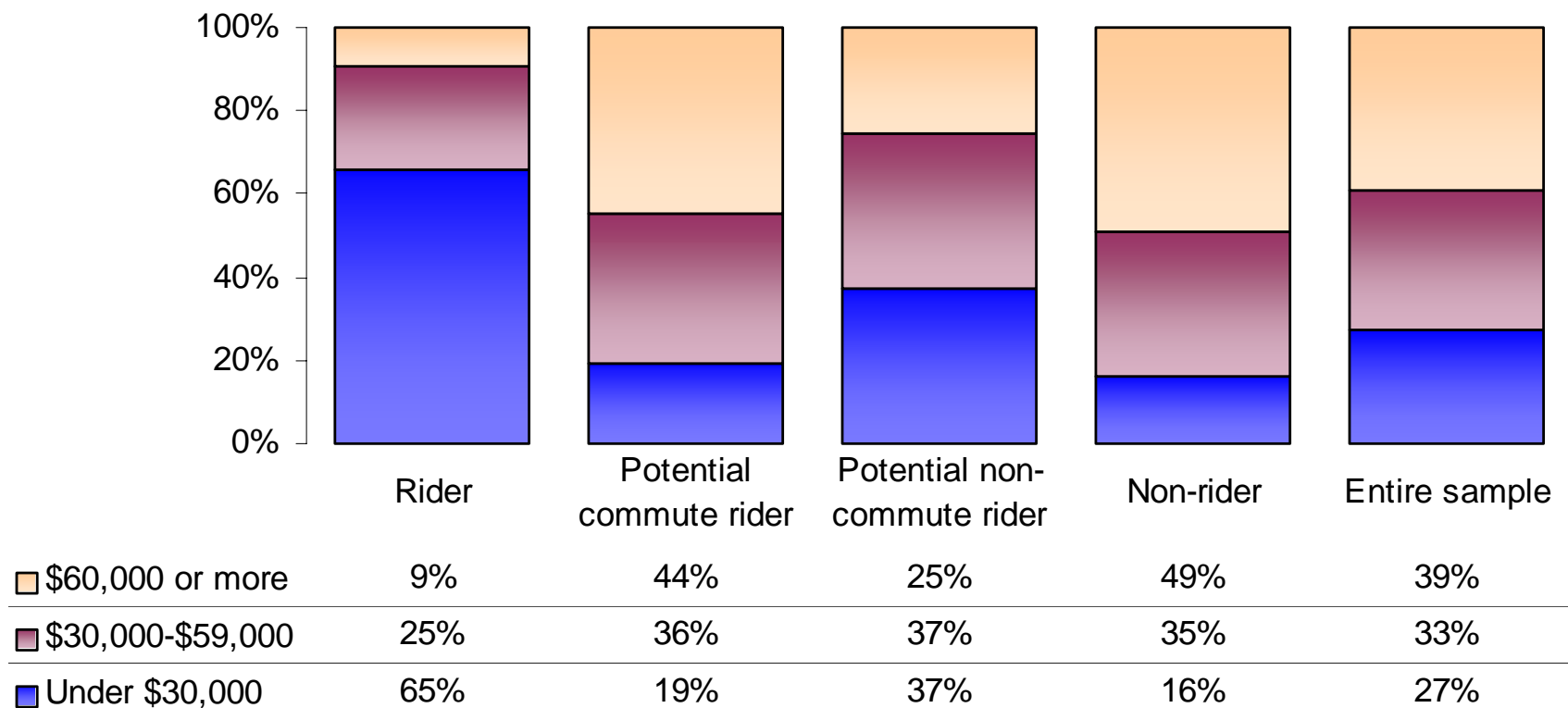
(Source: Intercity Transit onboard survey, 2004)



Other'	4%	0%	2%	1%	1%
A student only	3%	2%	0%	1%	1%
Employed at home	3%	0%	6%	4%	3%
Employed outside of home and a student	0%	6%	0%	5%	4%
Unemployed	20%	0%	17%	4%	7%
Homemaker	11%	0%	19%	7%	8%
Retired	25%	0%	55%	27%	24%
Employed outside home	34%	92%	0%	52%	51%

Income

(Source: Intercity Transit onboard survey, 2004)

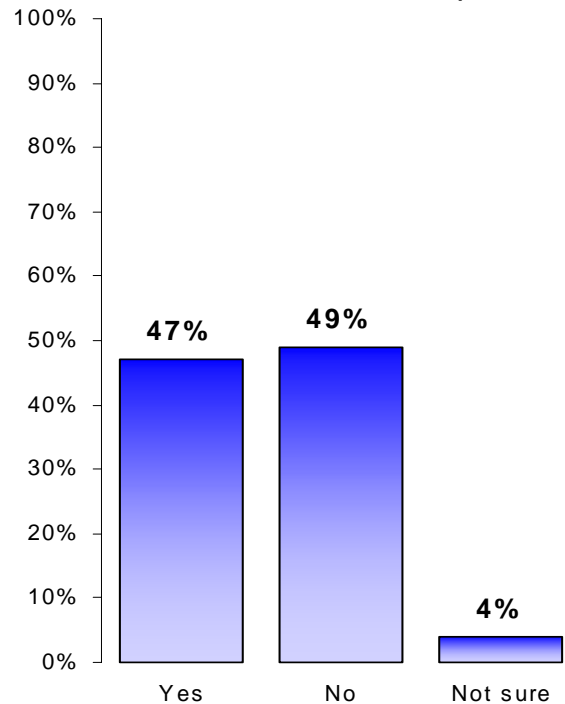


Key Findings of Community Survey

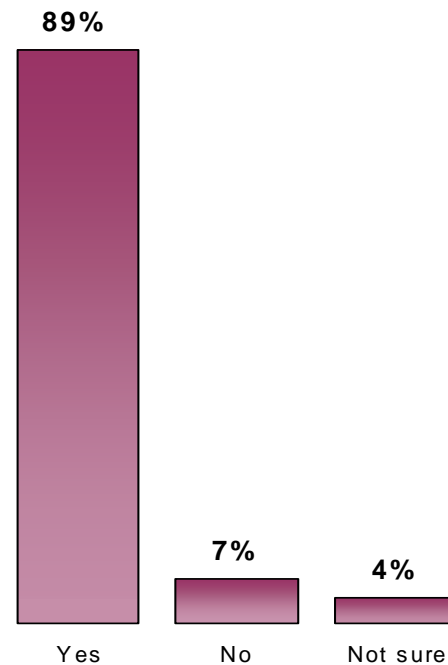
Tax Support for Transit

Tax Support for Transit

(Source: Intercity Transit Segmentation survey, 2005)



Before mentioning the tax and how it is used to help operate the local transit services, were you aware of that fact?



Do you support using the sales tax to help pay to operate the area's public transportation system, including buses, and vanpool services?



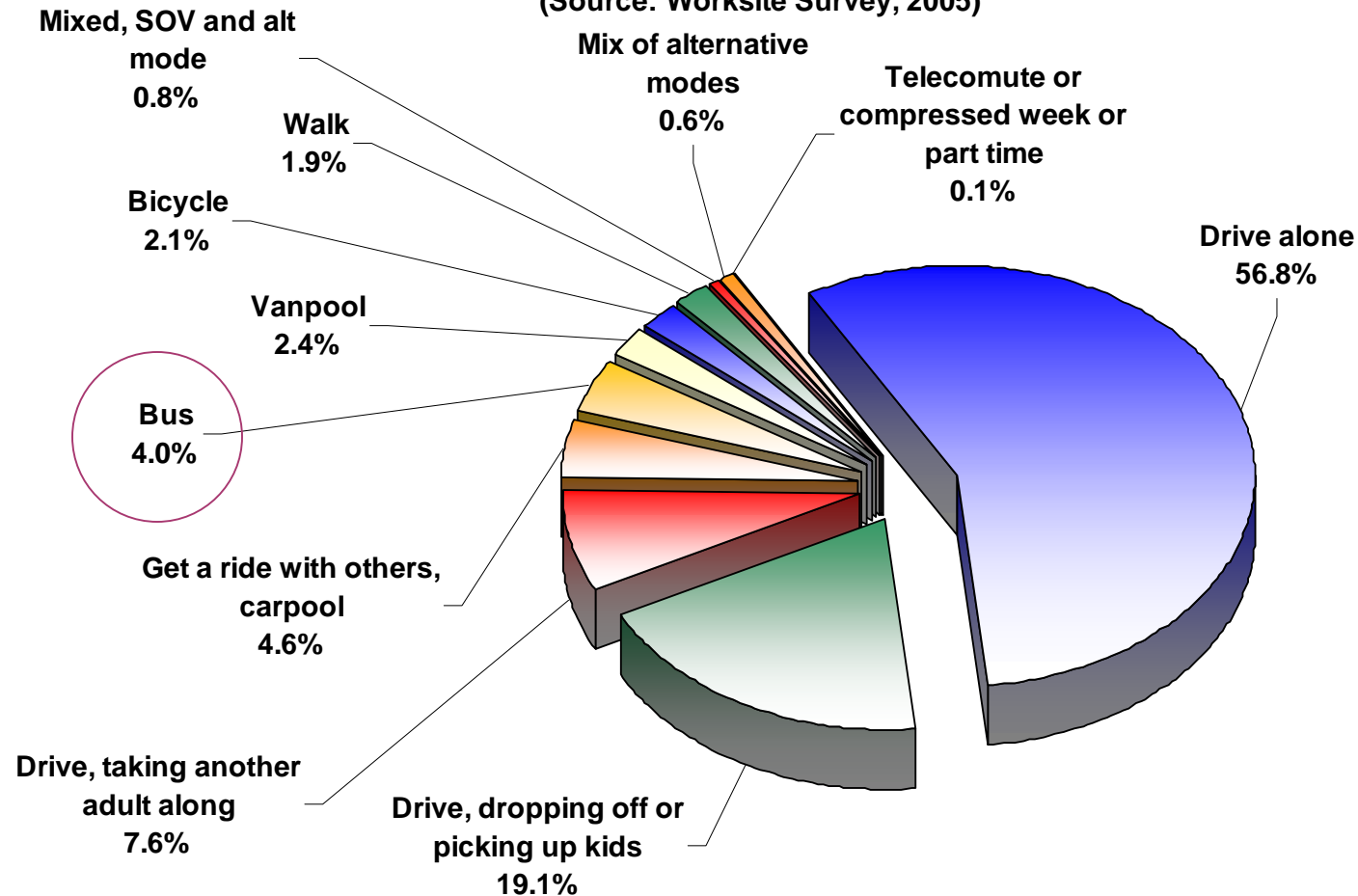
How important is public transportation to my community?

Worksite Survey

**E-mail Study of Commuter
Mode Choices**

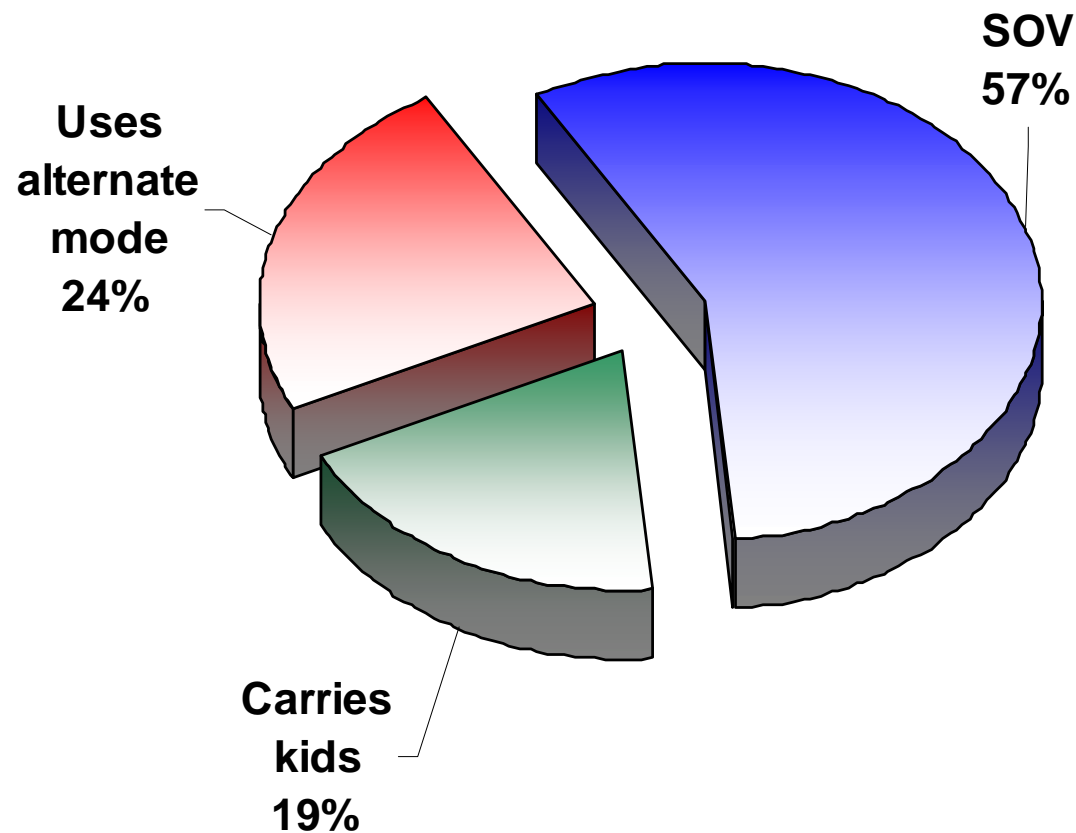
Current Commute Mode

(Source: Worksite Survey, 2005)



Market Segments

Current commute practices
(Source: Worksite Survey, 2005)

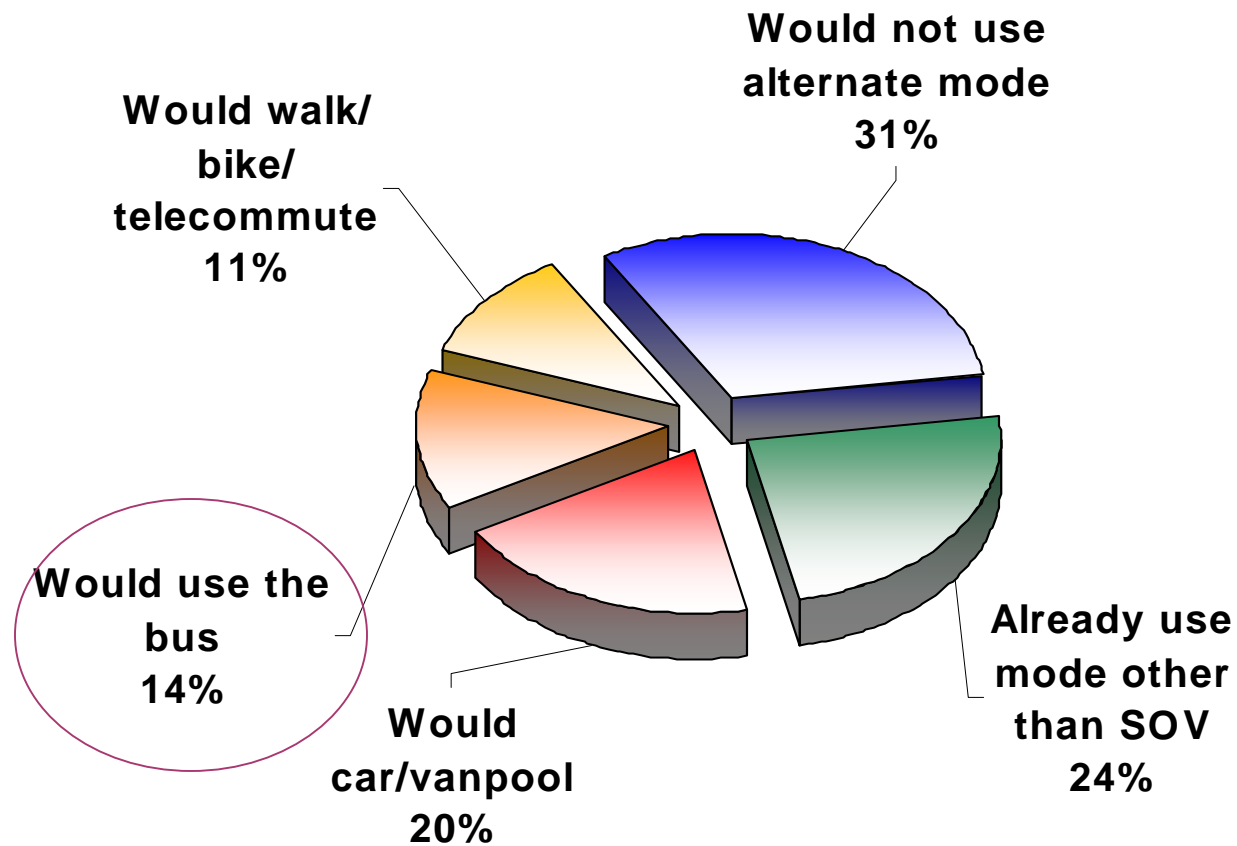


Key Findings of Worksite Survey

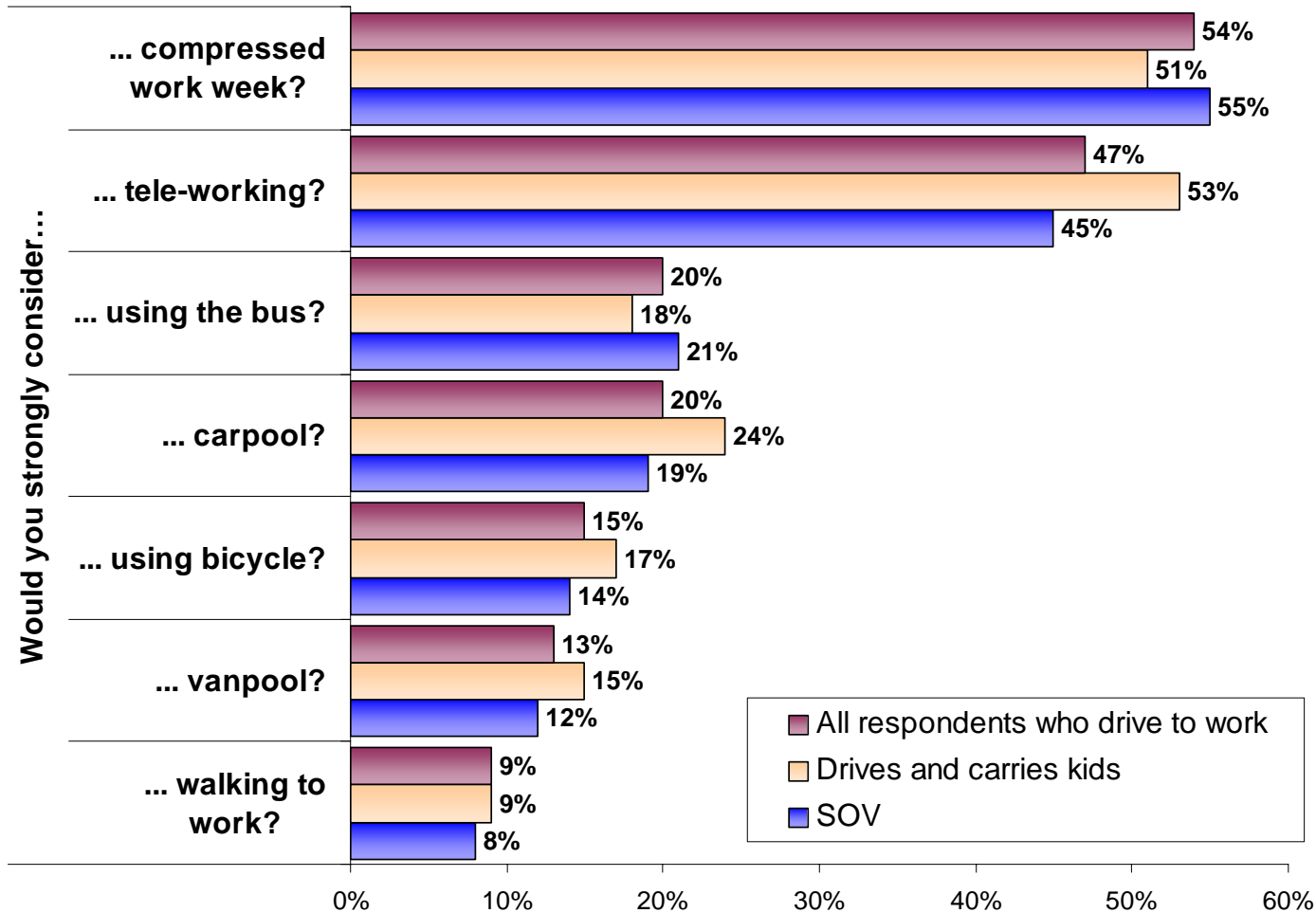
**Potential to Use Specific
Alternate Commute Modes**

Potential Alt Mode Usage

(Source: Worksite Survey, 2005)



Alternatives that Respondents “Would Strongly Consider”



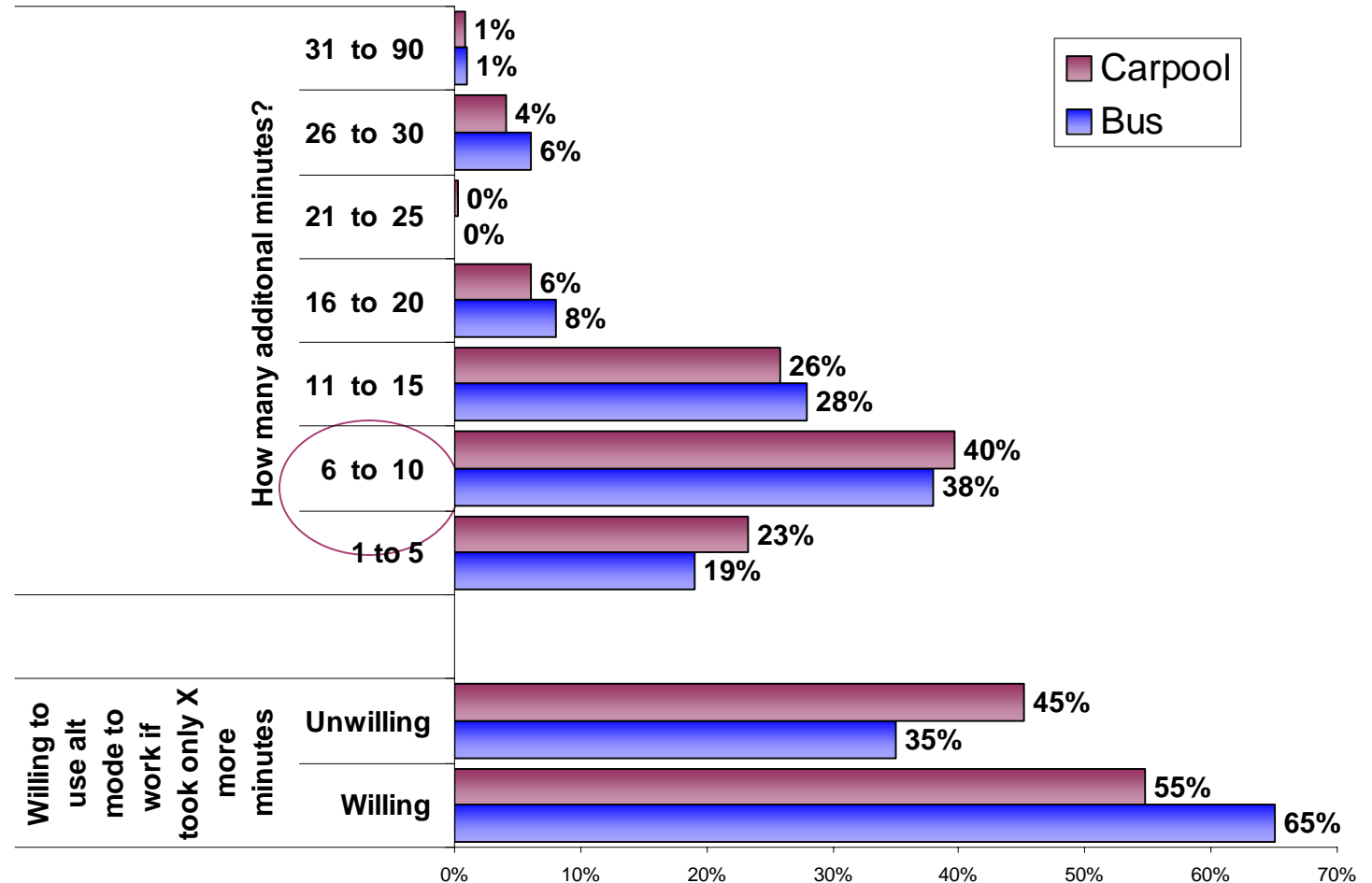
Key Findings of Worksite Survey

**Barriers and Incentives to
Alternate Mode Usage**

Acceptable Time Differential

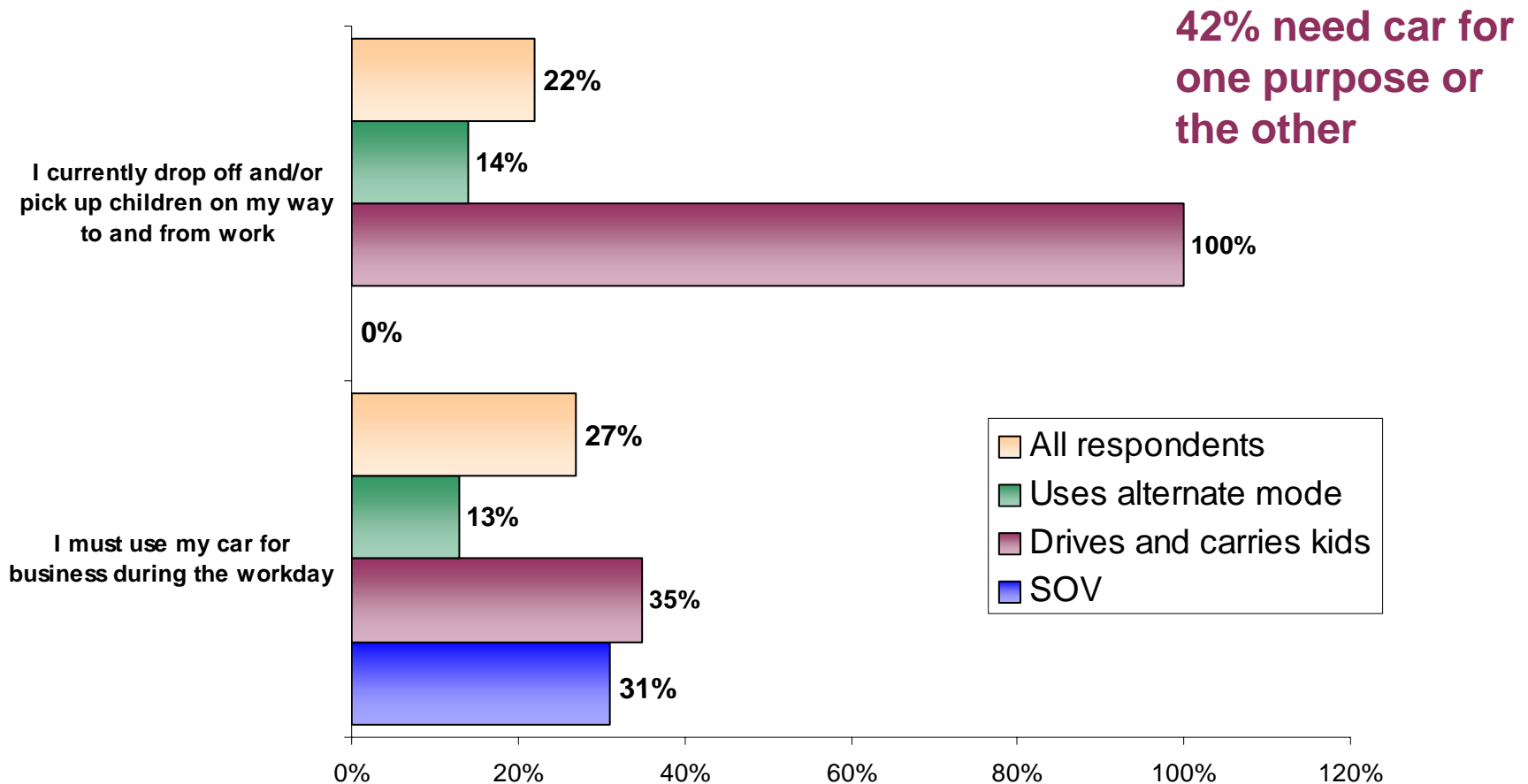
Respondents filled in the blank to:

I would be willing to ride the bus/carpool if it took no more than an extra ____ minutes.



Barriers to Alt Modes

(Source: Commute Trip Reduction Survey, 2005. Multiple responses were allowed, and only those saying that the statement was "true" about them are shown. Percentages do not sum to 100%)



Incentive for Alt Modes

Impact of incentives on the tendency to consider alternative modes of transportation

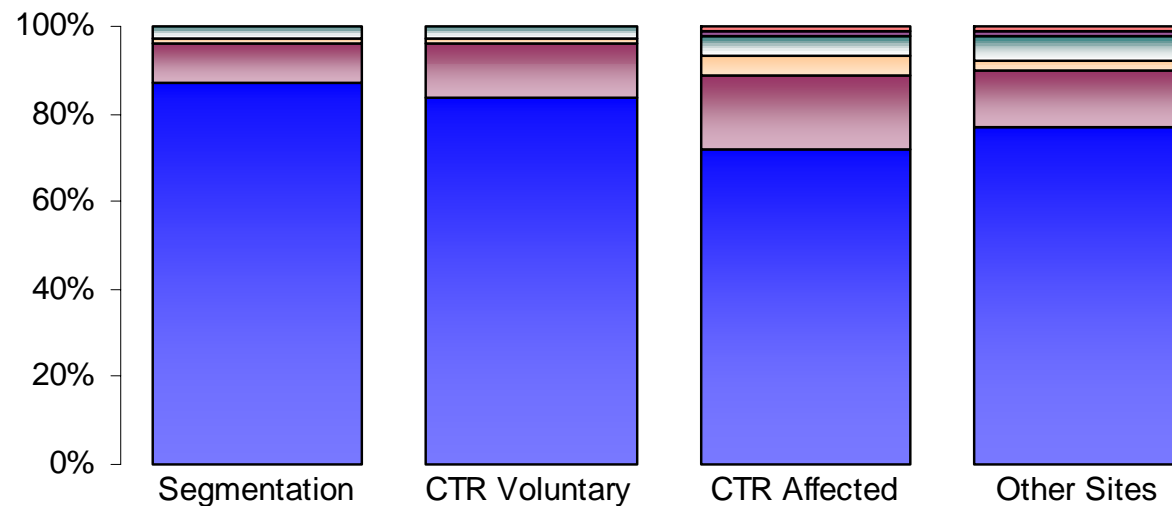
How likely would each of the following be to convince you to try an alternative transit mode? (% shown replied they "definitely" would try an alternative mode for the given incentive)	Consider carpool?			Consider vanpool?			Consider using the bus?			
	Would strongly consider carpool	Might consider carpool	Would not consider carpool	Would strongly consider vanpool	Might consider vanpool	Would not consider vanpool	Would strongly consider using the bus	Might consider the bus	Would not consider the bus	Bus does not serve my area
Employer subsidy of my bus, vanpool or carpool costs	43%	17%	12%	53%	20%	13%	48%	16%	7%	16%
Reduced commuting costs (gas, parking, etc.)	43%	17%	11%	53%	19%	13%	44%	16%	7%	19%
Guaranteed Ride Home if I had an emergency during the day	40%	17%	12%	49%	19%	14%	44%	17%	7%	16%
Staff car availability - for meetings and other needs during work hours	39%	17%	12%	48%	18%	15%	42%	17%	9%	16%
Free ride offer on local bus or vanpool	32%	12%	10%	47%	13%	10%	44%	10%	3%	12%
Gift incentives	27%	11%	7%	33%	12%	8%	29%	11%	6%	9%
Preferred parking at work for carpool or vanpool	26%	7%	4%	33%	9%	5%	22%	9%	3%	7%
Custom travel assistance planning trip or finding car or vanpool	24%	6%	3%	33%	7%	4%	23%	7%	2%	6%
Recognition at work for helping to meet our Commute Trip Reduction Goals	17%	6%	4%	22%	7%	4%	18%	6%	2%	5%

Key Findings of Worksite Survey

**Impact of Commute Trip
Reduction Efforts**

Impact of CTR

Percent based on those who do not need vehicle for child drop or during day.
Those who bike & walk were omitted as these depend on proximity.
(Source: Intercity Transit onboard survey, 2004)



■ Mix of alternative modes		0%	1%	1%
■ Mixed, sov and alt mode		0%	1%	1%
■ Bus	3%	3%	5%	6%
■ Vanpool	1%	1%	4%	2%
■ Carpool	9%	12%	17%	13%
■ Drive alone	87%	82%	72%	78%

Application of Findings

To Marketing and Planning

Marketing

- Supports 6-year Strategic Marketing Plan
- Guides Work Plan
- Informs Budget Requests & Staff Direction
- Stakeholder Follow-Up
- Further Analysis & Cross Tabulation

Marketing

■ Diversify Appeals by Market Niche

- Subsidies & daytime transport options strong motivators for potential commuters
- Cost savings is important but outweighed by time & convenience issues
- Environmental benefit alone not strong motivator for change to alt mode use

Marketing

- Support Relationship Marketing
 - Maximize communication channels
 - Cross tab analysis of commuters by geographic location & alt mode interest
 - Craft effective appeals

Planning

■ Supports Fixed Route Service Planning:

- Provides customer perceptions of service and operational characteristics including:

- ✓ *Service reliability & routing*
- ✓ *Operator & bus characteristics*
- ✓ *Bus stops & larger facility characteristics and personal safety*
- ✓ *Fare media used and transfers/connections*
- ✓ *Customer service & information*
- ✓ *Origin & destination locations*

Planning

- Findings provide reference and background material for current effort to develop a 6 year “Short Range” service plan.
- Cross tab analysis by “frequency of transit use” provided useful demarcations.
- Travel time perceptions of transit vs. car helped illuminate rider retention and attraction for future service (e.g., local peak express).
- Impetus to make changes to bus stops and service levels.

Planning

- Supports 6-year and long range service plan effort both internally & with public.
- Provides basis for discussions with local jurisdictions, influences regional transportation plan and land use/developments.
- Helps to guide future work plans.
- Informs budget & staff direction.

“How To” Advice

**For Transit Agencies Planning
to Conduct Market Research**

Why Each Method Is Used

And How the “Samples” Differ

- On-board Survey & Follow-up Phone Survey
 - Understand and retain *existing* customers
 - Dominated by frequent riders
- Segmentation Survey
 - Plan services and marketing to attract *new* customers
 - Understand *community* support for transit financing
 - Focuses on non-riders
- Worksite Survey
 - Understand easily identified target markets to attract to alternate modes
 - Similar methodology could be use with other identified segments and “gatekeeper” support

Customer Survey

■ On-board Survey

- Self-administered survey
- Distributed/collected on-board bus by trained surveyors
- Factors to maximize response and minimize bias
- Random sample of runs
- Serial number and use Log forms
- Be resourceful and flexible



Please let Intercity Transit know how to better serve you!

Please answer the questions on this card.

Then, if you provide your name and phone number, we will call you to ask more detailed questions in a short phone survey.

The information you provide is entirely confidential and will be used only for Intercity Transit's research purposes.

Name: (First) _____

Please Print

(Last) _____

Phone #: () _____ -- _____

1. At which bus stop did you start this one-way trip? What was the city AND the major cross streets or the name of a major landmark there (like a major mall, school, office building, park, etc)?

(Circle one) (1) Olympia (2) Lacey (3) Tumwater (4) Yelm (5) Thurston County
(6) Tacoma (7) Lakewood (8) Other _____

Major street: _____

Circle one: Av Dr Hwy Pkwy Rd St Other _____

And Cross street: _____

Circle one: Av Dr Hwy Pkwy Rd St Other _____

OR Landmark: _____

2. Where will you end this one-way trip you are on now? What are the city AND major cross streets or the name of a major landmark there (like a major mall, school, office building, park, etc)?

(Circle one) (1) Olympia (2) Lacey (3) Tumwater (4) Yelm (5) Thurston County
(6) Tacoma (7) Lakewood (8) Other _____

Major street: _____

Circle one: Av Dr Hwy Pkwy Rd St Other _____

And Cross street: _____

Circle one: Av Dr Hwy Pkwy Rd St Other _____

OR Landmark: _____

3. Did you, or will you, transfer to or from another bus during this trip?

(1) No transfer on this trip (Circle all that apply)

(2) Other I.T. Bus - Which route number(s)? # _____

(3) Pierce Transit Bus - Which route number(s)? # _____

(4) Grays Harbor Transit (5) Mason Transit

4. How did you pay your Intercity Transit bus fare on this trip? (circle one)

(1) 75¢ Cash fare (2) 35¢ Reduced Cash Fare (3) 75¢ or \$1.50 I.T. Ticket

(4) \$1.50 Day Pass (5) 75¢ Day pass (6) PT/ST Transfer + cash

(7) Adult Monthly Pass (8) Youth Monthly Pass (9) Reduced Monthly Pass

(10) PugetPass (11) Star Pass (12) TESC Pass

(13) SPSOC Pass (14) Thurston Co. Pass (15) TRPC Pass

(16) Other: _____

5. Including today, in the past 7 days, how many days have you ridden on an Intercity Transit bus?

1 2 3 4 5 6 7

6. In what year did you begin using Intercity Transit buses?

19____ 2000 2001 2002 2003 2004

7. Are you (circle one):

(1) Employed for pay outside your home

(2) Employed for pay inside your home

(3) A student

(4) Employed AND a student

(5) A homemaker

(6) Unemployed

(7) Retired

8. In what city or area do you live and what is your home zip code?

(Circle one) (1) Olympia (2) Lacey (3) Tumwater (4) Yelm (5) Thurston County
(6) Tacoma (7) Lakewood (8) Other _____

Zip Code _____

9. In what city do you work or attend school (if you are employed or are a student) and what is the zip code at that location?

(Circle one) (1) Olympia (2) Lacey (3) Tumwater (4) Yelm (5) Thurston County
(6) Tacoma (7) Lakewood (8) Other _____

Zip Code _____

10. Are you an employee of the State of Washington? (1) Yes (2) No

Please turn the survey over and complete the questions on the back.

How Do you Rate Intercity Transit Service?

For each of the following criteria, please rate I.T. between 1 (excellent) and 5 (very poor).

	Excellent			Very poor	
11. Total travel time for your bus trip	☺ 1	2	3	4	5 ☹
12. Buses running on-time	☺ 1	2	3	4	5 ☹
13. Courtesy of drivers	☺ 1	2	3	4	5 ☹
14. Frequency of service	☺ 1	2	3	4	5 ☹
15. Time buses start running in morning	☺ 1	2	3	4	5 ☹
16. Time buses stop running in evening	☺ 1	2	3	4	5 ☹
17. Transfer connections between I.T. buses	☺ 1	2	3	4	5 ☹
18. Cleanliness inside buses	☺ 1	2	3	4	5 ☹
19. Safety at transfer centers	☺ 1	2	3	4	5 ☹
20. Availability of bus stop shelters	☺ 1	2	3	4	5 ☹
21. Ease of getting route/schedule information	☺ 1	2	3	4	5 ☹
22. Overall Rating of Intercity Transit	☺ 1	2	3	4	5 ☹

23. How many cars or other motor vehicles are owned or leased by your household?

0 (None) 1 2 3 4 5 or more

24. How many licensed drivers live in your household?

0 (None) 1 2 3 4 5 or more

25. How old are you? _____ years old

26. Are you female or male? (1) Female (2) Male

27. What is your household's annual income?

- | | | |
|--------------------------|---------------------------|--------------------------|
| (1) Less than \$10,000 | (2) \$10,000 to \$14,999 | (3) \$15,000 to \$19,999 |
| (4) \$20,000 to \$24,999 | (5) \$25,000 to \$34,999 | (6) \$35,000 to \$49,999 |
| (7) \$50,000 to \$74,999 | (8) \$75,000 to \$100,000 | (9) More than \$100,000 |

COMMENTS: _____

Purpose of this bus trip

- ☐ Work
☐ School
☐ Shopping
☐ Social
☐ Other

INTERcity
TRANSIT

Thank you for your time and for riding Intercity Transit.

Segmentation Survey

■ Telephone Survey

- RDD – Random Digit Dial Sample
- Professional interviewers
- Stratified Sample
- Analysis

Worksite Survey by Internet

- E-mail invitation issued through employers with link to on-line survey form
- ID embedded to identify employer site
- Anonymity guaranteed by 3rd party
- Time limit on response
- Use only for employers with high proportion of employees with email at work
 - Consider written form alternative or a work-room terminal for those without their own access

Lessons Learned

Lessons Learned

- Ask the Customer their opinions
- Bring Stakeholders into Process
 - Buys Credibility Internally & Externally
- Opportunity for Sharing Costs w/ MPO
- With employer support, E-mail survey is extremely cost effective
- Survey Serves as 'Reality Check'
 - Shows we are doing many things right



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